



Ambassador Jeffrey L. Bleich – National Press Club Address

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**Remarks of Ambassador Bleich  
“The Obama Agenda: The Case for Optimism”  
at the National Press Club, Canberra**

*(As prepared for delivery – June 16, 2010)*

Thank you all for inviting me here today. I know you were all hoping to see a different U.S. official in town this week. Perhaps a taller one, with a better jump shot. I hear he’s a pretty good speaker too.

Actually, being here reminds me of a time a few years ago when I had been invited to the opening of Hollywood movie that starred George Clooney. We rolled up in a limousine with some people from the studio, and there was this enormous crowd of George Clooney fans, in front of the theater, and lights, and cameras flashing, and we stop in front of the red carpet, and I open my door and as I step out the crowd sees me and goes “awwwww . . . .” So I have some experience disappointing large groups with my mere presence.

The President wishes he could be here in Canberra this week, but he’ll be out here before too long. In the meantime, I’d like to share my own thoughts with you about what the United States has accomplished since Barack Obama became President and what I see as the major challenges going forward.

In the last couple years there have been quite a few people around the world – politicians, pundits, academics and the like – asking whether America has peaked. Some have suggested that the challenges this Administration faces confirm that the American system is no longer working. And I’ve heard and read a few pessimistic assessments of America’s future. Now some of these people are just professional pessimists. Which is a safe profession. As American conservative columnist George Will noted: the advantage of being a pessimist is that you’re always either right . . . or pleasantly surprised.

Well I think that looking at the world today from the vantage point of two years ago, we have reason for pessimists to be pleasantly surprised.

Let’s think about the state of the world on that January day some 17 months ago when Barack Obama was sworn in as President. He came into office having inherited one of the most challenging agendas to ever face a new President.



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On the domestic side, our economy was feeling the worst effects of the Global Financial Crisis and was in a virtual freefall. Congress and the President had to take immediate steps to stabilize the economy before the U.S. markets collapsed and took the rest of the world's markets down with them. We also needed to address some self-inflicted wounds in our system that threatened our global economic competitiveness long-term. These included two of the most lethal issues in American politics, health care and energy policy; both issues had become the virtual box jellyfish of government – anyone who tried to touch them suffered painful political deaths. In fact, even brushing up against them left you screaming and permanently scarred. And so, for the past four decades problems in health care and energy policy multiplied and jeopardized our waters and just kept floating on

On the foreign policy side, things weren't that much better. We were fighting two wars – in Iraq and Afghanistan – as well as dealing around the globe with a new kind of dangerous enemy. And we faced declining confidence around the world, registering what were some of the lowest popularity levels since World War II, including the Vietnam era.

So the pessimists were happy. Their motto was "No, we can't."

Coming into office, the President knew this was going to be a very tough set of challenges and that he had to set priorities. In general there were two groups pressing the White House to go one way or the other. The first, mainly from the financial sector – bankers and people who were of a more conservative orientation – said, "Unless we fix the economy now nothing else matters. So that should be your sole focus. Until we get out of the Global Financial Crisis, it doesn't matter what else you have on your domestic agenda. It doesn't matter what the world thinks of us. The United States can't fight a war without money. It's all about the economy. And so, Mr. President, you should do nothing except focus on the Global Financial Crisis."

On the other hand, there were large numbers of people – political leaders, campaign supporters, special interest groups – all well intentioned, who wanted the President to address their long list of grievances. Remember the Democrats hadn't held both houses of Congress and the White House since 1994, 14 years prior. So they had a backlog of hundreds of issues ranging from civil rights to public health to consumer protection to environmental protection.

President Obama looked at these approaches and he rejected them both as a false choice. He rejected the idea that you had to either work on only one thing or work on a hundred things. From the outset, he said the President of the United States doesn't have the luxury of addressing only one issue at a time. Franklin D Roosevelt battled the Great Depression but he also had to wage the Second World War on two fronts. Abraham Lincoln, at the same time he was fighting to save the Union in the Civil War, launched



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the largest public higher education initiative in American history. Presidents don't just have to walk and chew gum at the same time. Sometimes, they have to be able to walk, chew gum, sing, and juggle flaming chainsaws.

President Obama fully understood that in global governance, saving the economy was an important priority, but we have to save it for something – for a real future.

On the other hand, you can't do everything. The President had to disappoint some supporters by telling them the truth: he had to tackle the most pressing issues first, and so many other issues would have to wait. But it was a deliberate process. Until we solved some of these critical issues, we couldn't begin to start building a consensus to address many other – mostly cultural – issues that divide Americans.

So he focused principally on five issues:

- (1) the Global Financial Crisis and its fall-out
- (2) health care reform
- (3) energy policy
- (4) a coherent strategy to defeat global terror networks in Iraq, Afghanistan, and around the world; and
- (5) finally, fifth, the need to restore confidence in America and its values.

Let's look at how he and America are doing.

First, on the Global Financial Crisis. Think back to March 9, 2009 – about 14 months ago. The Dow Jones Industrial Average was around 6,500. The most optimistic forecast for the U.S. economy was that even if we did everything right from there on out, it would be 2-3 years before America would see a positive quarter of economic growth. Many economists were anticipating 2-3 years of serious recession or depression depending on how things were handled. Serious economists here and in the States were demanding that the United States nationalize the banks, and radically change the U.S. economy.

Today, thanks in large part to smart and coordinated stimulus, the Dow Jones is over 10,000 points. We've experienced two positive quarters in a row. We're already out of the recession. Growth for this year is forecast at a healthy 3.6%. We've registered positive gains in employment in the last two quarters, and in general there has been a substantial improvement in our economic picture.

What this means is that we're on a very good trend, but we still have work to do. I think the best analogy is a medical one. The economy was on the table and had gone into cardiac arrest. Credit markets virtually locked up and the economy was dying. The first



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thing we had to do was save the patient. This is where I think we are right now – the patient has been saved and that is a huge success.

But after a major operation like that, once everyone finishes their fist bumps, you have to focus on two other things. The first are the things that caused the cardiac arrest in the first place, and the second are complications from the surgery.

Regarding the causes, there's no question that some of this was due to lax regulation, a failure to segregate banking from high risk ventures, and skewed incentives for the banks. The President's financial reform legislation addresses these. It has now passed both houses of Congress and is going through the reconciliation process. That new set of financial reforms looks to be on track for the President's signature sometime in the next few weeks and it will be an important part of the longer term recovery.

Second, we needed to deal with the complications: the incision, the stitches, the medications. In this case, the United States had to borrow a lot of money in order to pump stimulus dollars into the markets' veins. This has of course increased America's debt. And as we all know the United States was already at a very high deficit level going into the Global Financial Crisis.

In fact, we have done a relatively good job addressing that new debt and going after the accumulated debt. Many of the banks that received infusions have now repaid those loans with interest. As a result, the U.S. federal government has been able to reduce its deficit by 3 percentage points of GDP this year. President Obama's overall deficit reduction plan will bring down the deficit by roughly 50% by the end of his first term. And down to 4% of GDP by the year 2014.

So while there is still a lot of work to do, if we were all sitting in this room a year ago, and I had told you our economy would be where it is today, you'd have called me delusional. This has been nothing short of a miraculous turn-around for the U.S. and for partners around the world whose economies rely on the U.S.

The second issue that I mentioned is health care reform. America's health-care system has been a self-inflicted wound damaging our global competitiveness for decades. For decades, American businesses have been paying far more to insure Americans and getting worse results than other comparable nations. The President ran on this issue, and he fought and fought for it against relentless opposition. Two months ago, he delivered. The healthcare reform package is certain to be a centerpiece of this first term. It provides among other things insurance coverage for 30 million Americans who used to use the emergency room as their primary care physician. The new bill is not perfect, but no one including the President expected that it would be. What it is though, is a drastic improvement. It may be one of the most important pieces of legislation in the last 40 to



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50 years – up there with the Clean Air Act and the Clean Water Act. And it will pay the same sorts of dividends for decades to come.

Third, America's energy policy also has to change. Countries like America and Australia are never going to win in a global economy if the race is to the bottom. There will always be other countries more willing to exploit their labor and their environment for economic growth. To win, we have to make more advanced products and do it more efficiently and with fewer health and environmental costs. One key to that is getting ourselves off dirty, finite, and hard-to-access fuels and moving to clean, accessible, and renewable fuels. We've already put \$100 billion into cleantech efforts since the President took office and we are seeing the tangible results: electric car plants, smart grids and revolutionary battery technology. Moreover, a major bill that will remove tax breaks and subsidies to the oil companies and refocus those incentives on cleantech has already cleared the U.S. House of Representatives, the so-called Waxman-Markey bill. Another bill co-sponsored by Senator John Kerry and Joe Lieberman with similar provisions is making its way through the Senate. We are committed to driving that legislation through. It won't be any easier than healthcare was, but we never expected it would be. This time, however, we have powerful industry forces acknowledging that they need energy reform to stay competitive. While no one can predict the future, we are probably closer today than we have been since the oil crisis in the 70s to finally changing our energy policy. This Administration is committed that it won't stop until a comprehensive energy bill is passed.

The fourth challenge is terrorism and particularly Iraq and Afghanistan. You all may recall that a year ago, the President took a hard and comprehensive look at our strategy in Afghanistan, implemented some major revisions, and has now put the entire effort in broader context in the National Security Strategy.

Whatever the arguments for how we got into the war in Iraq and the reasons for the successes and reversals in Afghanistan over the last nine years, President Obama and his foreign policy team have been pragmatic about where we are now: we must take the world as it is. Security is less about nation-to-nation disputes, than network-against-nation attacks. And fighting criminal networks requires removing some artificial barriers in our thinking about security. Security at its core is about going to bed at night expecting that when you wake up tomorrow will be better – or at least no worse – than today. That's true not just for us, but for the people who are deciding today whether they will be our friends or our enemies. Our commitment to human rights, our treatment of the planet, our focus on health, and food security are ensuring that trade is fair – these are all just as important as any military decision when it comes to our security.



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For President Obama, there is no higher priority than security – of the United States and our allies. We will maintain the military advantage that represents the cornerstone of our national defense and the anchor of global security. But we are also going to address the conditions that feed networks and their hatred.

In Iraq, we are focused on strengthening the government's ability to govern, so that we can bring our troops home. While there is a lot of work still to do, on every measure Iraq is moving toward a fully sovereign, stable and self-reliant government. This is a process – a long-term partnership to the Iraqi Government and people. But the combat mission in Iraq will cease by the end of August 2010. And we will remove all of our troops from Iraq by the end of 2011.

In Afghanistan and in Pakistan, we are focused on two things. First, the three Ds: disrupting, dismantling and defeating al Qaeda, so that it can no longer operate in those countries. In Afghanistan we are working to deny the Taliban the ability to overthrow the government and the incentives that drive people to want to support the Taliban. Second, empowering Afghans. This is their country, their people, and they need the basic tools to ensure that it can serve its people, and not allow terrorists to take root again and threaten all of us. As we were so tragically reminded last week, both our nations are making great sacrifices. But we are also seeing real progress. Our hope is that by the middle of next year, we'll be in a position to begin drawing down troops and begin the transition process.

Finally, the fifth issue I mentioned was international confidence in America. As I said at the outset, America just two years ago was suffering from a lack of international support. We were not viewed favorably by many in the world. The pessimists said that America had lost some of the special qualities that define it. This wasn't just bad for America, or for our allies and partners, it was bad for the ideals that America has represented. It shook people's confidence in the rule of law, free expression, self-governance, open markets, social mobility, and opportunity.

For the past 17 months, the U.S. has redoubled its commitment to those values and to demonstrating them around the globe. President Obama has re-engaged with the countries of the world based on mutual interests and mutual respect, especially here in Asia. This is where we have been moving and this is where the world has been moving. The Asia Pacific represents 40% of the world's population and 54% of global GDP. Our engagement here is not just a current interest of the President, but we're building commitments that are enduring. That is why we are working with our partners in Asia to design regional trade agreements and a regional architecture that will help shape the future of the region.



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The results of this have been tangible. I would guess that some of the people in this room have sensed for themselves that world opinion has been shifting. I have certainly sensed it travelling around the world. There is less hostility towards the United States and a greater sense of optimism about our shared future. The Lowy Institute poll showed a 23 percent increase among Australians in their support of the United States. A branding company found that the value of the U.S. brand had increased in dollar terms by \$2.1 trillion.

This I think is the story. It is about trajectory. In politics people always want to know where are you at 100 days or 365 days or whatever day it is that day. But the measure of progress for a society is about direction – where you’ve come from and where you’re going. When I see where we’ve traveled this past 17 months, I’m optimistic. And I’m optimistic because the things that brought us to this point, are things that we will rely on to get us to the next points: renewed self discipline, and deeper reflection.

On self discipline, President Obama – and I’ve known him for a while now – has an uncanny ability to focus on priorities and not get distracted by nattering and polling. Even while he is dealing with the mess in the Gulf of Mexico he is clicking away every day on the priorities of this Country. Too often the 24 hour news cycle makes people lose sight of the critical work that is done every day that isn’t sexy or flashy – like the greatest set of nuclear non-proliferation achievements in four decades. The news tends to feature the most immediate, the coarsest, the most inflammatory, and most extreme – but not necessarily the most important.

What I find impressive about the President is that he doesn’t allow those tendencies to infect his thinking or how he approaches his job. He keeps his discipline and he draws on people with that same trait: people who focus on the job and stay in their lanes. Look at the key people on his foreign policy team. The Vice President and Secretary of State both ran against him for President. The Secretary of Defense was appointed by his predecessor, a Republican President. And yet, they’re all working together beautifully.

During the campaign, there were lots of rhymes about Obama. But the rhyme that fit best really was “No Drama Obama.” Think about this: There hasn’t been any drama in his White House. Normally by this point in a Presidency you might see lots of reshuffling, lots of people fired, people running from the Cabinet, talking about how disillusioned and disappointed they are, writing tell-all books, etc. We haven’t seen any of that.

The second trait is reflection. By this I mean staying committed to the goal rather than a particular tactical policy choice. And then being willing to change tactics when necessary to achieve results. The re-evaluation of our Afghanistan policy that I described is a good example.



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There was a lot of pressure during the reevaluation of the Afghanistan policy for the President to make a quick decision. Some analysts thought we needed a massive increase in troops, others thought we should get out immediately. But the President said in effect, I'm going to take my time and make this decision carefully, because whenever people have made these decisions hastily we're regretted them, and we can't make mistakes when we're putting lives at stake.

There was a constant drum beat from critics in the media – “the dithering White House; the indecisive White House; what could they be doing? It's taking weeks!” We resisted the pressure that working on a decision of that magnitude for weeks would be criticized as a sign of either weakness, or distraction or confusion. In fact this period of analysis and reflection demonstrated that the President was committed to getting it right. He showed the country that he was going to look at all the facts not get rushed by the critics into an ill-conceived decision. Looking back, it has turned out to be, among a number of unattractive options, the one that seems to have the highest chance of success and be working at the ground level.

These two strengths – self discipline and reflection – aren't just important for this Administration. They have been central to American values when we are at our best.

Take the Greatest Generation. They sacrificed and faced fear and deprivation to defeat enemies in both Europe and Asia. And then they had the restraint, and the considered reflection not to claim the spoils of victory. Instead, they embarked on the Marshall Plan, rebuilding shattered countries for our common benefit – rather repeating the selfish failed policies that followed the World War I.

In the last election, Barack Obama reminded people of this tradition. People thought Americans were too biased to elect a black person President. They thought Americans were too xenophobic to elect a President with a “foreign sounding” name like Barack Hussein Obama. We proved to them – and to ourselves – that we are better than we were led to believe. That does not mean that United States doesn't still have enormous challenges. But it shows that the best of America is intact and going in the right direction.

Fears of American decline have come up periodically. And they have always been wrong. Whether it was during the Great Depression, the Vietnam War, the rise of Japan in the 80's, or our current challenges. To be sure, America has not had an unbroken upward trajectory, and we've made many mistakes. But each time our trajectory began to shift, our system of democracy, grounded in our most basic values, put us back on the right path.



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And so to conclude, I am encouraged by where we have come and optimistic about the course we are on. It is not going to be easy but we are struggling for the right causes: a cleaner century, where we are no longer hostage to our energy limitations; where we are more prosperous, with an economy focused on the capabilities of our educated, innovative population; and most of all where we are more peaceful and secure because we have more friends like Australia and we all have fewer enemies.

Thank you.